(c) and (d) LIC have informed that no case of their employees having conspired with the agents in such matters has come to their notice and that the policies are normally issued within a reasonable time; however, on rare occasions, there can be administrative irregularities for which suitable action is taken on receipt of a complaint.

(e) and (f) Do not arise.

Purchase of shares of UTI

7829. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether the UTI's CGM has been held responsible for UTI's purchase of Rs. 1000 crore worth of Reliance shares last year, unaware of the lock-in provision and his inability to foresee the huge amount of units that came up for redemption; and

(b) if so, the details of the loss sustained by the U.T.I. as a result of this omission or commission on the part of the UTI's C.G.M. and the action taken against him?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) UTI has stated that no Chief General Manager has been held responsible for any omission or commission for UTI's purchase of Reliance shares, as this purchase was made after due commercial appraisal and with the sanction of the UTI Board.

Reciprocity in business operations in Insurance sector

7830. SHRI JIBON ROY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the insurance market in developed industrialised countries especially in the USA are heavily protected by stringent insurance laws;

(b) whether it is also a fact that several conflicting regulations are operative in dierent States of the USA; and

(c) if so, how the Government of India view the question of reciprocity in business operations in the insurance section?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) Yes, Sir. The General Insurance Corporaton of Inda (GIC) have informed that in the United States of America (USA) each State has a separate Insurance Department headed by an Insurance Commissioner and the insurance business is regulated by State law. The contents of the regulations vary from State to State in terms of policy forms, premium rates and other regulations.

(c) Under the existing laws, insurance business is an exclusive privilege of Life Insurance Corporation of India and General Insurance Corporation of India.

Expenditure incurred for reducing losses to zonal rural banks

7831. SHRI ISH DUTT YADAV:

CHAUDHARY HARMOHAN SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether detailed investigation has been made by National Bank for Agriculture and Rural Development (NABARD) in respect of financial administrative expenditure for reducing the losses of Zonal Rural Banks;

(b) if so, what are the outcomes thereof; and

(c) what action has been taken by Government in respect of irregularities found during the investigation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (c) Presumably the Hon'ble Members are referring Regional Rural Banks (RRBs). Under Section 35 of Banking Regulation Act, 1949 statutory inspections of the RRBs are conducted by National Bank for Agriculture and Rural Development (NABARD) and in regard to irregularities relating to administrative/ financial expenditure and other operational matters noticed, the banks are asked to rectify the situation immediately and the matter is followed up. In addition, the operations of the RRBs as well as their Financial and Administrative expenditure are monitored based on their annual accounts submitted every year as well as through the quarterly operational data which are completed for analysis at NABARD. Based on these data a number of performance parameters are worked out and banks are advised accordingly.

In case the inspection report of NABARD or the performance monitoring brings about any irregularities, action is initiated forthwith. Further, whenever complaints are received from members of public, loanees etc., the matter is got examined immediately for necessary action.

Functioning of MNCs in the country

7832. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) the names of the multinational companies functioning in the country at present; and

(b) the amount of funds repatriated abroad by each one of them, respectively, out of the profits earned by them during the year 1994?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) The information is being collected and will be laid on the Table of the House.

Norms prevalent in other countries for public issues

7833. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether SEBI has studied the pricing and disclosure norms prevalent in other countries for Public issues;

(b) if so, the details thereof;

(c) whether any proposals from foreign stock exchange authorities have been adopted by SEBI; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (d) Yes, Sir. However a study of pricing and disclosure norms prevalent in other countries is a continuous exercise. SEBI adopts such norms with suitable modifications to meet the requirements of the Indian securities market.

Bank fraud unearthed by CBI

7834. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the newsitem captioned "CBI unearths Rs. 90 lakh bank fraud" as reported in the Pioneer dated 31.3.95;

(b) if so, whether the CBI has registered case against officials of bank and private firms for duping lakhs of rupees;

(c) if so, the fact and details thereof; and

(d) what further action Government contemplate in the matter?